of Income-Tax are based at Hyderabad and 1 Chief Commissioner of Income Tax is based at Visakhapatnam.

Loss Suffered by Bank of India and State Bank of India

1032. SHRI A. VIJAY RAGHAVAN: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the State Bank of India and Bank of India are estimated to have suffered a recent loss to the tune of Rs. 39.7 crores and Rs. 4.8 crores respectively;

(b) if so, what are the details thereof; and

(c) what steps are being taken to recover the loss?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) to (c) State Bank of India and Bank of India have reported that they have suffered losses of Rs. 39.7 crores and Rs. 4.8 crores, respectively, due to dishonour of pay orders issued by Classic Co-operative Bank Ltd., Ahmedabad, against which gold was delivered to bullion traders by these banks. The banks have lodged criminal complaints with Police/Central Bureau of Investigation (CBI) and also filed suits before the Debt Recovery Tribunal, Ahmedabad, against the defaulters, including the Partner and Director and Clasic Co-operative Bank Ltd. and its Directors etc. Criminal cases have also been filed under Section 138 (A) of the Negotiable Instruments Act. It has also been reported that alothough the defaulting customers had promised to deposit the amount of returned pay orders, they failed to deposit the amount and were absconding. These customers have now been arrested by the CBI.

Financial position of North-East States

1033. SHRI W. ANGOU SINGH: Will the Minister of FINANCE be pleased to state:

(a) the total amount of deficit up to date for the year 2001-2002 for the States for North-Eastern Region on State-wise basis; and

(b) the measures taken to revitalise the existing financial position of North-East states?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI GINGEE N. RAMACHANDRAN): (a) State-wise position